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Hearing Date: November 19, 2012
Objection Due Date: September 28, 2012

- and -

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

Residential Capital, LLC, *et al.*,

Debtors.

Case No. 12-12020 (MG)

Chapter 11

(Jointly Administered)

**OBJECTION TO NOTICE OF (I) DEBTORS' INTENT TO ASSUME AND ASSIGN
CERTAIN EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL
PROPERTY, AND UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY
AND (II) CURE AMOUNTS RELATED THERETO AND FIRST SUPPLEMENTAL
NOTICE OF (I) DEBTORS' INTENT TO ASSUME AND ASSIGN CERTAIN
EXECUTORY CONTRACTS, UNEXPIRED LEASES OF PERSONAL PROPERTY, AND
UNEXPIRED LEASES OF NONRESIDENTIAL REAL PROPERTY AND (II) CURE
AMOUNTS RELATED THERETO**

**TO: THE HONORABLE MARTIN GLENN,
UNITED STATES BANKRUPTCY JUDGE:**

Pite Duncan, LLP ("Pite Duncan"), by and through its undersigned attorneys, submits
this Objection (the "Cure Objection") to Residential Capital, LLC, *et al.* (collectively, the

“Debtors”) Notice and Supplemental Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related thereto. The basis of the Cure Objection is as follows:

1. Commencing in 1999, the Debtors entered into various agreements with Pite Duncan for default legal services related to mortgage loans serviced by the Debtors. 1

2. On May 14, 2012 (the “Petition Date”), Debtors filed voluntary petitions under Chapter 11 of the United States Bankruptcy Code. The Debtors’ bankruptcy cases are jointly administered under bankruptcy case no. 12-12020 (MG).

3. On July 26, 2012, Debtors filed Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related thereto (the “Cure Notice”). The Cure Notice indicates the Debtors owed Pite Duncan the following amounts as of the Petition Date:

Debtor Entity	Contract Description	Cure Amount: Pre-Petition Obligations	Supplier – Common Supplier- Counterparty
GMAC Mortgage Corporation	MSA for Direct Sourcing (Legal Services)	\$27,195.00	Pite Duncan, LLP
GMAC Mortgage, LLC	Change Order Reduce Price from \$125 to \$105 per transaction	See Above	Pite Duncan, LLP
GMAC Mortgage Group, LLC	Amendment 01 Name Change and create change order process	See Above	Pite Duncan, LLP
GMAC Mortgage Corporation	SOW for Direct Sourcing of Bankruptcy	See Above	Pite Duncan, LLP
GMAC Mortgage Corporation	Change Order Number 1 to Statement of Work	See Above	Pite Duncan, LLP
GMAC Mortgage, LLC	Change Order Number 1 to Statement of Work	See Above	Pite Duncan, LLP
GMAC Mortgage, LLC	Change Order #1 for default services (reports and services levels)	See Above	Pite Duncan, LLP

1 Copies of these agreements are available upon written request.

Executive Trustee Services, LLC	ETS-SOW Texas Foreclosures and Bankruptcies	See Above	Pite Duncan, LLP
GMAC Mortgage, LLC	SOW for Bankruptcy Loss Mitigation Solicitation	See Above	Pite Duncan, LLP
GMAC Mortgage, LLC	Statement of Work for Bankruptcy and foreclosure services	See Above	Pite Duncan, LLP
Homecomings Financial Network, Inc.	Attorney Agreement for Handling Residential Bankruptcies	See Above	Pite Duncan, LLP

(See Cure Notice, Dkt. No. 924, pages 67-68).

4. The Cure Notice indicates the cure amounts listed therein ***do not include*** any (i) existing post-petition obligations that the Debtors anticipate paying before the date the designated agreement is to be assumed and assigned, which is anticipated to occur no earlier than November 5, 2012; (ii) post-petition date obligations that may be incurred but unknown as of July 25, 2012, which obligations may remain outstanding against the Debtors as of the assumption date; (iii) unknown pre-petition date obligations; and (iv) known pre-petition date obligations relating to critical vendor payments for which the Debtors have received Bankruptcy Court approval to pay prior to the assumption date (hereinafter the “Cure Notice Exceptions”).

5. On September 14, 2012, Debtors filed the First Supplemental Notice of (I) Debtors’ Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related thereto (the “Supplemental Cure Notice”). The Supplemental Cure Notice indicates the Debtors owed Pite Duncan the following amounts:

Counterparty	Debtor Entity	Contract Description	Cure Amount
Pite Duncan, LLP	GMAC Mortgage, LLC	(a) Engagement Letter; (b) Master Services Agreement (Default Legal Services); (c) Statement of Work (Default Legal	\$0.00

		Services); and (d) Default Legal Supplier Expectation Document	
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(See Supplemental Cure Notice, Dkt. No. 1459, page 13).

6. However, pursuant to Pite Duncan's business records, as of the Petition Date, the Debtors owed Pite Duncan the following amounts:

Debtor Entity	Amount Owed
Executive Trustee Services, Inc.	\$46,839.13
GMAC ResCap	\$23,936.56
GMAC Mortgage, LLC	\$33,463.08
Total	\$104,238.772

(See Affidavit of David Dallal in support of Objection to Notice of (I) Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related thereto and First Supplemental Notice of (I) Debtors' Intent to Assume and Assign Certain Executory Contracts, Unexpired Leases of Personal Property, and Unexpired Leases of Nonresidential Real Property and (II) Cure Amounts Related thereto (the "Dallal Affidavit").

7. Over the past few months, Pite Duncan communicated with the Debtors' retained counsel, Morrison & Foerster, LLP, seeking to: (1) determine the Debtors' basis for the cure amount identified in the Cure Notice and Supplemental Cure Notice; (2) reconcile the discrepancy between cure amount identified in Pite Duncan's business records and the cure amount identified in the Cure Notice and Supplemental Cure Notice; and/or (3) determine whether this discrepancy is a result of a portion of the outstanding amounts owing to Pite Duncan being included in the Cure Notice Exceptions. However, as of today's date, the Debtors have been unable to provide Pite Duncan with any information to reconcile this discrepancy. Pite Duncan remains committed to working with Debtors' counsel to achieve a mutually agreed upon resolution to this controversy. However, the present objection is being filed to preserve Pite

² This sum does not include any obligations which may have yet to be invoiced for services performed prior to the filing of the present bankruptcy case and which have not yet come due.

Duncan's rights to seek a determination from this court in the event that the parties cannot reach an agreement to resolve the cure amount. 3

WHEREFORE, Pite Duncan respectfully requests that the Debtors be required to pay the actual cure amounts in the amount of **\$104,238.77** as set forth herein and for such other relief as the Court deems just and proper.

Dated: New York, New York
September 28, 2012

Respectfully submitted,

**PLATZER, SWERGOLD, KARLIN, LEVINE,
GOLDBERG & JASLOW, LLP**

/s/ Teresa Sadutto-Carley

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